



# The Daily

Statistics Canada

Monday, July 24, 1995  
For release at 8:30 a.m.

STATISTICS CANADA  
STATISTIQUE CANADA

JUL 24 1995

## MAJOR RELEASES

LIBRARY  
BIBLIOTHÈQUE

- **Fixed assets, 1995** 2  
In 1995, the value of non-residential fixed assets totals \$1,664 billion, about twice what it was 20 years ago.

## OTHER RELEASES

- Energy supply and demand, 1994 5
- Trends in the business population, second quarter 1995 6
- Business entry and exit estimates, fourth quarter 1994 6

## PUBLICATIONS RELEASED 7

### The labour market: Mid-year review 1995

*Perspectives on labour and income* announces the advance release of its supplement, "The labour market: Mid-year review", which summarizes changes and trends in the labour market during the first half of 1995.

Economic growth ground to a virtual halt during the first half of 1995 as most economic indicators remained flat, declined, or showed feeble growth at best. Employment grew by only 25,000 in the first half, a great contrast with the first half of 1994, when it increased by 172,000 jobs and growth averaged about 29,000 per month. However, slowdowns after periods of employment growth are not unprecedented. Similar pauses occurred in 1986 and 1989, and both were followed by resumed employment growth.

The Autumn 1995 issue of *Perspectives* (75-001E, \$17/\$56), which will include "The labour market: Mid-year review" as a supplement, will be released in early September. See "How to order publications".

For further information on this release, contact Mike Sheridan (613-951-9480), Household Surveys Division. To order the supplement (\$45) now, contact Suzanne David (613-951-4628), Labour and Household Surveys Analysis Division.

## MAJOR RELEASES

### Fixed assets

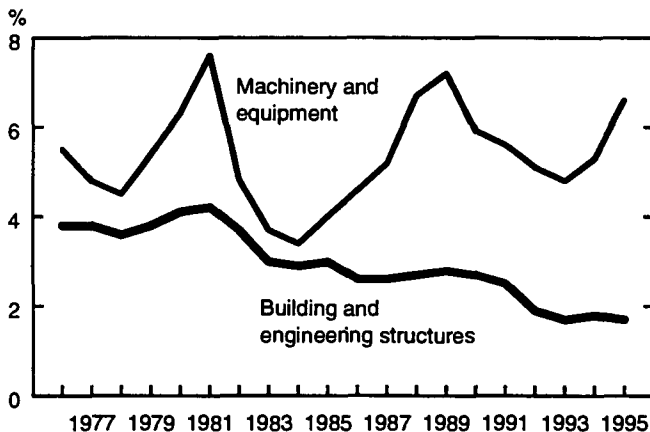
1995

In 1995, the value of non-residential fixed assets totals \$1,664 billion, about twice what it was 20 years ago. Building and engineering assets (such as plants, roads, bridges and office buildings) account for 66% of the total, compared with 75% in 1975. The proportion of machinery and equipment assets (assembly lines, computers, communications equipment, vehicles, etc.) is 34%, up from 25% in 1975, when the use of micro-computers in offices and computer-assisted manufacturing techniques were both just beginning.

#### New technology to increase competitiveness

The changing composition of fixed assets since 1975 reveals the growing importance of investment in machinery and equipment as new technology is increasingly adopted. Over the 20-year period (from 1975 to 1995), machinery and equipment assets have grown at an average real annual rate of 5.3%, almost twice the 2.9% rate for building and engineering assets.

**The changing composition of fixed assets**  
Real annual growth rate by type of asset



Businesses are replacing old assets at a much faster rate than before. Over the 20-year period, the average service life of assets has fallen from 26 years to 21 years, the service life of building and engineering assets has dropped from 37 years to 32 years, and the service life of machinery and equipment assets has

#### Note to readers

*Fixed assets are reproducible, tangible assets that are used in combination with other inputs (such as labour, energy and materials) to produce goods and services. Fixed assets are buildings (such as plants and offices), engineering structures (such as roads and bridges), and machinery and equipment used in the production process. In contrast, non-reproducible assets include land, mineral deposits and natural resources.*

*All values in this release are expressed in constant 1986 dollars.*

fallen from 14 years to 10 years. This is important when assessing the impact of rapid technological progress and greater competitive pressures on an industry's level of capital stock.

Manufacturers are investing more and more in computer-assisted processing equipment to maintain global competitiveness. Over the 20-year period, the capital-intensive manufacturing industries have put a much larger portion of their fixed assets into machinery and equipment, 69% in 1995 compared with 55% in 1975.

Mainly attributable to office automation, this change in composition has been even more evident in service-related industries (such as trade, finance, real estate, business services, accommodation and other services). In such industries, machinery and equipment assets have increased more than 10-fold, from \$13 billion in 1975 to \$140 billion in 1995, so that such assets now make up 45% of total fixed assets, compared with 17% in 1975.

Similarly, in the government sector, office automation has been responsible for the growth in the proportion of fixed assets held as machinery and equipment, from 4% in 1975 to 12% in 1995. This sector includes governments, education, health and social services.

#### Machinery and equipment assets have tripled in Ontario, Quebec and Alberta

Over the past 20 years, the level of fixed assets held as machinery and equipment has tripled in Ontario, Quebec and Alberta. This indicates that those economies have been rapidly adopting new technology. Growth in fixed assets has also occurred in British Columbia and New Brunswick, but at a somewhat slower pace.

In Ontario, assets in machinery and equipment rose from \$77 billion in 1975 to \$245 billion this year. The

new level represents 43% of Ontario's \$576 billion in total fixed assets, compared with 28% in 1975. This growth reflects the importance of service-based industries, public utilities and manufacturers in Ontario.

In Quebec, assets in machinery and equipment rose from \$42 billion to \$126 billion, representing 34% of the province's total fixed assets in 1995, compared with 23% in 1975. Manufacturers (+\$26 billion), service-based industries (+\$24 billion) and public utilities (+\$24 billion) all contributed to the increase.

In Alberta, assets in machinery and equipment rose from \$19 billion (19% of total fixed assets) in 1975 to \$59 billion (24%) in 1995. Service-based industries, public utilities and manufacturers together accounted for 88% of the \$40 billion increase.

All provinces and territories have increased their holdings of total fixed assets. Both Alberta and Ontario have increased their share of the national total by 2.7% and 1.3% respectively. All but one of the other provinces and territories have decreased their shares slightly.

**Available on CANSIM: matrices 8500-8583 and 8590-8673.**

Detailed data classified by industry and province are available on request.

For further information on this release, contact Susanna Wood (613-951-0655) or Rose Krakower (613-951-2765), Investment and Capital Stock Division. □

# Fixed assets

	Building and engineering structures		Machinery and equipment		Total	
	1975	1995	1975	1995	1975	1995
\$ billions (constant 1986 dollars)						
<b>Canada</b>	<b>614.3</b>	<b>1,097.6</b>	<b>200.1</b>	<b>566.4</b>	<b>814.4</b>	<b>1,664.0</b>
Newfoundland	16.1	28.7	3.7	7.1	19.8	35.8
Prince Edward Island	2.3	4.0	0.6	1.4	2.9	5.4
Nova Scotia	17.8	30.9	5.7	13.5	23.5	44.4
New Brunswick	15.7	26.0	5.1	12.9	20.8	38.9
Quebec	139.0	238.8	42.4	125.9	181.4	364.7
Ontario	194.5	330.7	76.8	245.2	271.3	575.9
Manitoba	32.0	43.6	9.2	16.6	41.2	60.2
Saskatchewan	32.9	51.7	12.0	17.0	44.9	68.7
Alberta	80.4	188.8	19.0	59.3	99.4	248.1
British Columbia	77.2	138.4	24.7	65.3	101.9	203.7
Yukon	1.5	2.9	0.2	0.6	1.7	3.5
Northwest Territories	4.9	13.1	0.7	1.6	5.6	14.7
<b>Industrial sector</b>						
Business	378.0	718.1	191.0	514.0	569.0	1,232.1
Primary	85.0	154.0	43.0	26.8	128.0	180.8
Manufacturing	58.5	76.0	72.4	166.8	130.9	242.8
Construction	1.6	5.3	6.7	15.0	8.3	20.3
Utility	170.2	312.6	55.9	165.3	226.1	477.9
Trade	19.2	25.4	7.6	32.6	26.8	58.0
Finance, insurance and real estate	31.8	114.4	2.6	61.0	34.4	175.4
Business services, accommodation and other services	11.7	30.4	2.8	46.5	14.5	76.9
Government	236.3	379.5	9.1	52.4	245.4	431.9
Government departments	176.4	281.9	5.2	33.7	181.6	315.6
Education	42.0	63.8	2.6	8.9	44.6	72.7
Health and social service	17.9	33.8	1.3	9.8	19.2	43.6

## OTHER RELEASES

**Energy supply and demand  
1994**

Production of primary energy rose 7.0% in 1994 to 13 941 petajoules (PJs), the strongest increase in six years. Production soared because of ballooning exports to the United States. Three major forces have been driving up Canada's production of primary energy: declining U.S. production of crude oil, new refinery demand for heavy crude, and expanding natural gas sales to electric utilities in the United States.

Over the past decade, energy exports have increased 131%, helping boost primary energy production 54%. Between 1984 and 1994, primary energy production increased by 4 858 PJs while exports increased by 3 895 PJs.

In 1994, final demand for energy rose a strong 2.7% to 6 697 PJs, reflecting the robust growth in gross domestic product. Most of the rise was due to higher demand for energy from the transportation and industrial sectors. Demand by most other sectors showed little or no change.

Industrial energy consumption picked up in 1994 as demand grew 2.5%. Rising output from energy-intensive industries (such as pulp and paper and chemicals) was largely responsible for pushing energy use to its highest level in five years.

Over the past decade, changes in final energy demand have closely paralleled changes in the business cycle. The long-term underlying trend has been largely determined by population growth. Between 1984 and 1994, final energy demand grew 16%, in line with the 14% growth in population. However, within this period, final energy demand showed considerable movements (both up and down) that closely matched the business cycle.

**Supply and demand of energy**

	1993	1994	1993 to 1994 % change
	petajoules		
Primary energy			
Production	13 034	13 941	7.0
Exports	5 631	6 347	12.7
Imports	1 629	1 743	7.0
Availability	9 047	9 360	3.5
Primary and secondary energy			
Exports	6 196	6 877	11.0
Imports	1 959	2 045	4.4
Non-energy use	735	745	1.4
Final demand	6 523	6 697	2.7
Industrial	2 035	2 086	2.5
Transportation	1 917	2 027	5.7
Residential and farm	1 456	1 472	1.1
Government and commercial	1 116	1 112	-0.4

**Note:** One petajoule (PJ) equals the energy required to drive 13,800 cars for one year, if each car used 40 litres of gasoline a week. To operate one car for one year, roughly 72 gigajoules would be required.

**Available on CANSIM: matrices 4945-4946, 4950-4962 and 7976-8001.**

The fourth quarter 1994 issue of *Quarterly report on energy supply/demand in Canada* (57-003, \$41/\$136) will be available shortly. See "How to order publications".

For further information on this release, contact Irfan Hashmi (613-951-3501), Energy Section, Industry Division. ■

## Trends in the business population

### Second quarter 1995

In the second quarter of 1995, the number of businesses with employees remained essentially unchanged. Compared with the first quarter of 1995, the business population decreased by 0.02% to 928,926.

The seasonally adjusted number of businesses that remitted payroll deduction accounts increased slightly in most regions. Gains in New Brunswick, Alberta, British Columbia and the Northwest Territories were offset by decreases in Prince Edward Island, Ontario and Saskatchewan.

Available on CANSIM: matrix 1420.

For further information on this release, contact Des Beckstead (613-951-6199), Business Register Division. ■

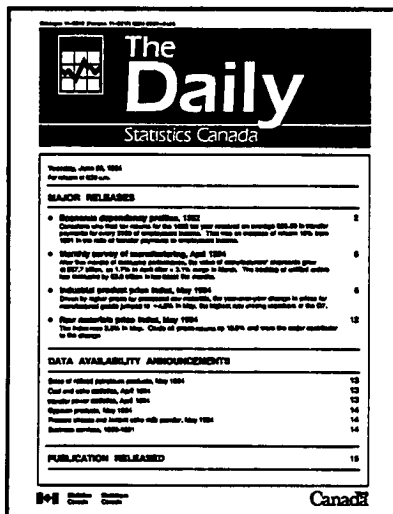
## Business entry and exit estimates

### Fourth quarter 1994

In 1994, the number of business exits increased by over 3% from 1993, while the number of business entries showed a much stronger 17% increase. As a result, net business formation between the two years jumped by almost 7,000 businesses.

Estimates from the Business Entry and Exit Survey are now available for the fourth quarter of 1994. Two full years of data from the time series (from the first quarter of 1993 to the fourth quarter of 1994) are also available. The estimates are available quarterly by region and industry. To aid comparisons within industries or regions, incidence estimates of business formation and closure are also available for the same period.

For further information on this release, contact Stewart Taylor (613-951-0389), Product Analysis and Data Dissemination Section, Business Register Division. ■



### Statistics Canada's official release bulletin

Catalogue 11-001E. (Canada: \$240; United States: US\$288; other countries: US\$336.)

Published each working day by the Communications Division, Statistics Canada, 10-H, R.H. Coats Bldg., Tunney's Pasture, Ottawa, Ontario K1A 0T6.

To receive *The Daily* from the Internet, send an E-mail message to [listproc@statcan.ca](mailto:listproc@statcan.ca). Leave the subject line blank. In the body of the message, type "subscribe daily firstname lastname".

Editor: Tim Prichard (613-951-1103)

Head of Official Release: Jacques Lefebvre (613-951-1088)

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 1995. Citation in newsprint, magazine, radio, and television reporting is permitted subject to the requirement that Statistics Canada is acknowledged as the source. Any other reproduction is permitted subject to the requirement that Statistics Canada is acknowledged as the source on all copies as follows: Statistics Canada, *The Daily*, catalogue 11-001E, along with date and page references.

## PUBLICATIONS RELEASED

**National income and expenditure accounts, annual estimates 1983-1994**

**Catalogue number 13-201**

(Canada: \$40; United States: US\$48; other countries: US\$56).

**Railway carloadings, May 1995**

**Catalogue number 52-001**

(Canada: \$10/\$100; United States: US\$12/US\$120; other countries: US\$14/US\$140).

**Average prices of selected farm inputs, June 1995**

**Catalogue number 62-012**

(Canada: \$9/\$48; United States: US\$11/US\$58; other countries: US\$13/US\$68).

The paper used in this publication meets the minimum requirements of American National Standard for Information Sciences - Permanence of Paper for Printed Library Materials, ANSI Z39.48 - 1984.



### How to order publications

Simplify your data search with *Statistics Canada Catalogue*, 1994 (11-204E, \$15; United States: US\$18; other countries: US\$21). Its keyword index will guide you to statistics on Canada's social and economic activity.

**Order *The Daily* and other publications by phone:**

Please refer to the • Title • Catalogue number • Volume number • Issue number • Your VISA or MasterCard number.

In Canada and the United States call:

**1-800-267-6677**

From other countries call:

**1-613-951-7277**

Or fax your order to us:

**1-613-951-1584**

**For address changes:** Please refer to your customer account number.

**To order a publication by mail write:** Sales and Service, Marketing Division, Statistics Canada, Ottawa, K1A 0T6.

Include a cheque or money order payable to Receiver General of Canada/Publications. Canadian customers add 7% GST.

**Statistics Canada Regional Reference Centres provide a full range of the Agency's products and services.**

For the reference centre nearest you, check the blue pages or your telephone directory under Statistics Canada.

**Authorized agents and bookstores also carry Statistics Canada's catalogued publications.**



1010194606

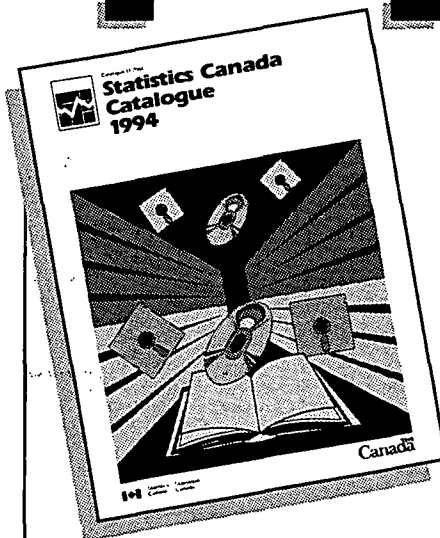
# Pick a topic... any topic

**T**he **1994 Statistics Canada Catalogue** is your guide to the most complete collection of facts and figures on Canada's changing business, social and economic environment. No matter what you need to know, the **Catalogue** will point you in the right direction.

From the most popular topics of the day – like employment, income, trade, and education – to specific research studies – like mineral products shipped from Canadian ports and criminal victimization in urban areas – you'll find it all here.

**...the 1994 Statistics Canada Catalogue will help you get your bearings...**

The **Catalogue** puts all this information at your fingertips. With the expanded index, you can search by subject, author or title – even periodical articles are indexed. There's also a separate index for all our electronic products.



The **Catalogue** has everything you need to access all Statistics Canada's products:

- descriptions of over 25 new titles, plus succinct abstracts of the over 650 titles and 7 map series already produced;
- electronic products in a variety of media, and advice on getting expert assistance on electronic products and on-line searches;
- a complete guide to finding and using statistics;

■ tabs to each section – so you can immediately flip to the information you need.

## **...time and time again...**

To make sure that the **Catalogue** stands up to frequent use, we used a specially coated cover to prevent broken spines, tattered edges and dog-eared corners.

Order today – you'll be lost without it.

## **1994 Statistics Canada Catalogue**

Only \$15 in Canada (US\$18 in the U.S. and US\$21 in other countries).  
Quote Cat. no. 11-2040XPE.

### **Write to:**

Statistics Canada  
Marketing Division  
Sales and Service  
120 Parkdale Avenue  
Ottawa, Ontario  
K1A 0T6

**Fax: (613) 951-1584**

**Call toll-free: 1-800-267-6677**

Or contact the nearest Statistics Canada Reference Centre listed in this publication.

